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## Japan

### Livestock and Products

## Beef Safeguard Calculation Announced 2007

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**Report Highlights:**

It is likely that Japan will continue with the current method of calculating its beef import safeguard into Japan fiscal year (JFY) 2008. This could help to forestall additional duties on imported beef in the event of an import surge. Access for U.S. beef is still severely constrained by age restrictions and complicated import controls.

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Includes PSD Changes: No  
Includes Trade Matrix: No  
Trade Report  
Tokyo [JA1]  
[JA]

On December 14, the Japan's Tariff and Foreign Exchange Council recommended extending the current JFY 2007 beef safeguard calculation for another year. The Council's recommendation is expected to be approved by the Diet before April 2008. If implemented in JFY 2008 (April 08 – March 09), it will be the third year in a row that Japan's Ministry of Agriculture, Forestry and Fisheries has managed the beef safeguard under a special measure. Under the special measure, additional duties will not rise from 38.5% to 50% unless beef imports exceed 117% of an average of JFY 2002 and 2003 or 117% of the previous year imports, whichever ever is higher (Please see [JA 6069](#) for more details on the calculation method).

On preliminary basis, the trigger level for the first quarter of JFY 2008 (April 08 – June 08) was calculated at 74,339 MT for chilled beef. The volume is 6,962 MT larger compared to the level calculated under the ordinary method. For frozen beef the previous fiscal year's imports are used as a basis for calculating the 82,945 MT trigger point (because it produces a larger number than a calculation based on a JFY 2002-2003 average). For the second quarter of JFY 2008 (April 08 – Sept. 08), the trigger level is calculated at 152,455 MT for chilled beef. This is 21,675 MT above what the trigger level would otherwise be.

Table 1. JFY 2008 Beef Safeguard Trigger Level Preliminary Calculation (Ordinary Vs Extended Method)

Unite: Metric Ton (Customs Clearance Basis)

Trigger Level Calculation (The Previous imports multiplied by 1.17 = 117%)	(A) Actual Imports (Base Year)	(B) Ordinary Method Based on the Previous Year	(C) Extended Method Taking Average Imports of JFY 2002 and JFY 2003	Remarks
	JFY 2007			
1st Quarter (April - June)				
Chilled Beef	57,587	67,377	74,339	
Frozen Beef	70,895	82,947	<b>82,945</b> <b>(70,716)*</b>	Whichever the higher comparing (B) and (C) applied
2nd Quarter (April - September)				
Chilled Beef	111,778	130,780	152,455	
Frozen Beef	132,880	155,470	160,040	
3rd Quarter (April - December)				
Chilled Beef	To be filled	To be filled	To be filled	
Frozen Beef	To be filled	To be filled	To be filled	
4th Quarter (April - March)				
Chilled Beef	To be filled	To be filled	To be filled	
Frozen Beef	To be filled	To be filled	To be filled	

Note \*: Number in the parenthesis 70,716 MT for the first quarter JFY 2008 frozen beef shows the level calculated based on the average of JFY 2002 and JFY 2003, which is lower by 12,229 MT than the figure calculated based on the ordinary method of 82,945 MT. For such an instance, Japan has decided to apply whichever figure is highest. This was also done when the trigger levels for JFY 2006 and JFY 2007, the current fiscal year, were calculated.

<b>Beef Safeguard Trigger Levels for JFY 2006 and Actual Imports</b>					
<b>Chilled Beef</b>	<b>Trigger Level</b>	<b>Cum. Total</b>	<b>April</b>	<b>May</b>	<b>June</b>
	Quarterly Cum.	Actual Entry			
I (Apr. - Jun.)	<b>74,339</b>	57,700	19,525	17,464	20,711
			July	August	September
I - II (Apr. - Sept.)	<b>152,455</b>	111,133	18,264	17,514	17,655
			October	November	December
II - III (Apr. - Dec.)	<b>230,642</b>	173,562	20,032	22,233	20,164
			January	February	March
III - IV (Apr. - Mar.)	<b>292,354</b>	223,415	14,806	15,370	19,677
<b>Frozen Beef</b>	<b>Trigger Level</b>	<b>Cum. Total</b>	<b>April</b>	<b>May</b>	<b>June</b>
	Quarterly Cum.	Actual Entry			
I (Apr. - Jun.)	<b>70,716</b>	67,073	22,881	16,779	27,413
			July	August	September
I - II (Apr. - Sept.)	<b>160,040</b>	121,306	21,127	16,397	16,709
			October	November	December
II - III (Apr. - Dec.)	<b>246,871</b>	182,145	18,622	18,665	23,552
			January	February	March
III - IV (Apr. - Mar.)	<b>323,924</b>	243,161	23,892	14,954	22,170
<b>Beef Safeguard Trigger Levels for JFY 2007 and Actual Imports Year to Date -Preliminary</b>					
<b>Chilled Beef</b>	<b>Trigger Level</b>	<b>Cum. Total</b>	<b>April</b>	<b>May</b>	<b>June</b>
	Quarterly Cum.	Actual Entry			
I (Apr. - Jun.)	<b>74,339</b>	57,587	19,346	18,659	19,582
			July	August	September
I - II (Apr. - Sept.)	<b>152,455</b>	111,778	18,789	18,823	16,579
			October	November	December
II - III (Apr. - Dec.)	<b>230,642</b>	111,778	0	0	0
			January	February	March
III - IV (Apr. - Mar.)	<b>292,354</b>	111,778	0	0	0
<b>Frozen Beef</b>	<b>Trigger Level</b>	<b>Cum. Total</b>	<b>April</b>	<b>May</b>	<b>June</b>
	Quarterly Cum.	Actual Entry			
I (Apr. - Jun.)	<b>78,475</b>	70,895	22,697	24,119	24,079
			July	August	September
I - II (Apr. - Sept.)	<b>160,040</b>	132,880	17,734	16,916	27,335
			October	November	December
II - III (Apr. - Dec.)	<b>246,871</b>	132,880	0	0	0
			January	February	March

III - IV (Apr. - Mar.)	<b>323,924</b>	132,880	0	0	0
Source: Ministry of Finance (ALIC Monthly)					